of the Government. However, the representatives of sugar industry have participated in important meetings on supply of ethanol.

(b) Since the distribution of ethanol blended petrol is to be done by the oil companies, they have been directed by the Government to set up distribution network for the same. Similarily, the Excise authorities of the concerned State Governments have been requested to remove the bottlenecks in both interstate and intrastate transportation of anhydrous alcohol.

The sugar Development Fund Act has been amended to facilitate setting up of units for production of anhydrous alcohol by providing loans at lower rates of interest to such units. The State Governments have also been requested to issue licences to such industries without delay.

**Agreement with Reliance Petroleum**

2790. SHRI K.B. KRISHNA MURTHY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to refer to answer to Unstarred Question 707 given in the Rajya Sabha on the 26th November, 2002 and state:

(a) whether the agreement with Reliance Petroleum to whom the block at KG basin has been leased out, provides for sharing of the find with Government nominees like GAIUONGC; and

(b) if so, the rate of royalty agreed upon between Government of India and the Reliance Petroleum?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) and (b) As per Production sharing Contracts (PSCs) signed under New Exploration Licensing Policy (NELP), including the PSC for the deepwater offshore block KG-DWN-98/3 in the Krishna-Godawari basin with Reliance Industries Ltd., the rates of Royalty payable are as under:—

| | | |
|---|---|---|
| **Onland Areas** | : | 12.5% for crude oil |
| | : | 10% for natural gas |
| **Offshore Areas** | | |
| Shallow Water | : | 10% for crude oil |
| | : | 10% for natural gas |

| | |
|---|---|
| Deepwater (beyond 400 m isobath) | For first seven years from the date of commencement of commercial production 5% for crude oil<br>5% for natural gas and thereafter 10% for crude oil and natural gas. |

Further, there is no provision for appointment of Government nominee under the aforesaid PSCs because under NELP the contractor has the full freedom to market crude oil and natural gas in India.

**Overseas projects of IOC**

2791. MISS MABEL REBELLO: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the details of oil projects for which the Indian Oil Corporation has bid in the West Asia and Bangladesh;

(b) whether Indian Oil Corporation also proposes to sell diesel, bitumen and LPG to Bangladesh; if so, the details thereof; and

(c) what are the details of non-going overseas projects of Indian Oil Corporation?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR): (a) While Indian Oil Corporation Limited (IOC) has not bid for any project in Bangladesh, the Corporation has, in collaboration with some Indian companies, bid for the following three projects, in the field of exploration and production, in the West Asia:—

(i) Farsi Exploration Block, Iran.

(ii) Qatar Exploration Block 4, Qatar.

(iii) Project for development of four producing fields in Kuwait to increase production from the field.

In addition, IOC, in consortium with Stroytransgaz (STG) of Moscow, has participated in a tender floated by the Ministry of Energy and Mineral